Manitoba Centennial Centre Corporation
Annual Report

2004-2005

For the Year Ended March 31, 2005

106-07137/

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BOARD OF DIRECTORS

Chairman	-	Dr. Keith Hildahl
Vice-Chairman	-	Ms. Pat Macgillivray
Members	-	Mr. Edwin Cavanaugh
	-	Mr. Leonard Dalman
	-	Mr. Paul Huntington
	-	Dr. Judith Kearns
	-	Mr. Larry Moreau
	-	Mr. Kevin Nolan
	-	Mr. Roy B. Read
	-	Mr. Ken Shiffman
	-	Mrs. Helen Steinkopf
	-	Ms. Iris Taylor

ADMINISTRATION

Executive Director	-	Mr. Bob Sochasky
Director of Finance & Administration	-	Ms. Laura Proulx
Director of Properties	-	Mr. Edward A. Solinske
Director Concert Hall Operations	-	Mr. Dennis L. Perko
Manager Plant Services	-	Mr. Norbert Schuster
Manager Building Services	-	Mr. David G. Peterson
Manager House Services	-	Mr. Martin G. Kull

A Message from the Board Chairman and the Executive Director

The Manitoba Centennial Centre is an integral part of the Manitoba Cultural landscape. With the strong commitment of staff, we endeavor to meet our responsibility to our community by providing a financially sound and forward looking business plan.

The positive changes our staff have made over the past 4 years and the ongoing success in meeting budget targets allow us to prioritize the process of improving the sound quality of our hall and to focus on facility improvement.

Some of the year's accomplishments were:

Support Arts and Culture in Manitoba Centennial Centre Corporation

- Continued rent reductions of $207,400 to the three resident companies, The Royal Winnipeg Ballet, The Winnipeg Symphony Orchestra and The Manitoba Opera.
- The Riverton Collegiate Institute received the Foundation of the Future award for their creation of a musical instrument bank.
- The Steinkopf Memorial Youth fund provided $2,300 to improve accessibility for youth oriented programming such as the Winnipeg Youth Orchestra and Girl Guides.

Social Responsibility

- Our employees support the Christmas Cheer Board and the United Way.
- MCCC's financial commitment to the Exchange Biz's Program supports full time Foot Patrol Officers in the community.
- Providing reduced Concert Hall facility fees to three charitable organizations, "Dreams Take Flight, Cancer Care, and Winnipeg Harvest Holiday Breakfast".
- Development of a facility asbestos and remediation program for the facility.

Customer Satisfaction

- The implementation of an upgraded telephone system providing improved public access to MCCC staff and facilities.
- The development of a customer satisfaction survey for Manitoba Museum special events participants.
- The introduction of a customer pre-order beverage system.
- The partnership with Ticketmaster provides patrons of Concert Hall events the ability to purchase tickets on-line.

Workplace Quality

- Ratification of both IATSE and MGEU agreements to the mutual satisfaction of the employees and the organization.
- The development and upgrading of job descriptions of all positions.
- The purchase of ergonomic building services equipment.
- Development of "Emergency Procedures" to ensure safety of patrons and employees during an emergency.
- Development and implementation of a hearing protection program for employees.

Business Effectiveness

- An operating surplus for the fiscal year 2004-2005.
- Electrical equipment enhancement to increase efficiency by 5.1%.
- Appraisal of MCCC facilities to establish replacement costs.
- Establishment of a front of house/lobby rental rate to widen the Centre's ability to attract clients.
- Adoption of an enhanced "Request for Proposal" document and tender evaluation process.

Our commitment to our community is to continue to improve.

Keith Hildahl, MD
Chairman, board of Directors

Bob Sochasky, CMA,FCMA
Executive Director

Organization /Operations

The Corporation's mandate under its enabling legislation "The Centennial Centre Corporation Act, Chapter C40" includes the administration of the Centennial Concert Hall and its related services as well as the maintenance and development of the buildings and properties of the Centennial Centre. The Manitoba Centennial Centre Corporation offers a variety of programs and presentations in the visual and performing arts. The Corporation provides administrative and property management services for the Manitoba Museum, the Planetarium, the Centennial Concert Hall, the Manitoba Theatre Centre, the Warehouse Theatre, the Artspace building, three surface parking lots, an underground parkade and 11 Lily Street.

The facilities operating program continues to strive for a high standard of building services and maintenance. Preventative plant maintenance programs are on-going and new programs for better services and cost effectiveness, particularly in areas involving energy costs, are emphasized wherever possible. In compliance with a Government of Manitoba directive, MCCC has adopted a Sustainable Development policy for its operations this past year. Liaison with various departments and agencies of the provincial government continues to assist in the operation of the Centre.

Centennial Concert Hall

The Centennial Concert Hall hosted 171 performances during the past year in comparison to 160 during the 2003-2004 fiscal year.

Performance highlights included:

- Bob Newhart appeared in front of a sold out audience in early May
- Country icon Merle Haggard also sold out in May
- Five (5) performances of the hit musical "CATS" in July
- Bill Cosby and Buffy Sainte-Marie appeared together in September
- George Carlin returned to the Concert Hall stage in September
- K.D. Lang performed with the Winnipeg Symphony Orchestra in October
- The Broadway Musical "RENT" presented 5 performances in October
- "Just for Laughs" appeared in October
- Rock group "REM" sold out in November
- Rita MacNeil returned to our stage in December
- Tom Jackson's "Huron Carole" also returned in December
- Attila Glatz presented their annual New Year's Day "Salute to Vienna".

Our three resident tenants, the Winnipeg Symphony Orchestra, the Royal Winnipeg Ballet and Manitoba Opera presented another full season of concerts and performances.

- The Winnipeg Symphony Orchestra offered a variety of Masterworks, City Classics, Musically Speaking, POPS, Sundays with the Family and one Special Concert throughout their season. The seven (7) day "New Music Festival" was held in late January/early February.
- The Royal Winnipeg Ballet presented "Romeo & Juliet", "A Cinderella Story", "The Nutcracker" and "Rodeo".
- Manitoba Opera unveiled two full productions entitled "Cavalleria Rusticana / I Pagliaccii" and "Rigoletto" and one special performance entitled "An Evening in Paris".

Other Activities of the Centre

In addition to the activities related to the Concert Hall, the Centre features a variety of programs and presentations in the visual and performing arts. While these are served by the Corporation, they are reported on by the organizations responsible for their administration (Manitoba Museum, Manitoba Theatre Centre, etc.).

The Piano Nobile Art Gallery's curator, Arnold Ross, continues to feature works by Manitoba Artists. These works are on display for patrons to view during performances.

Capital Program

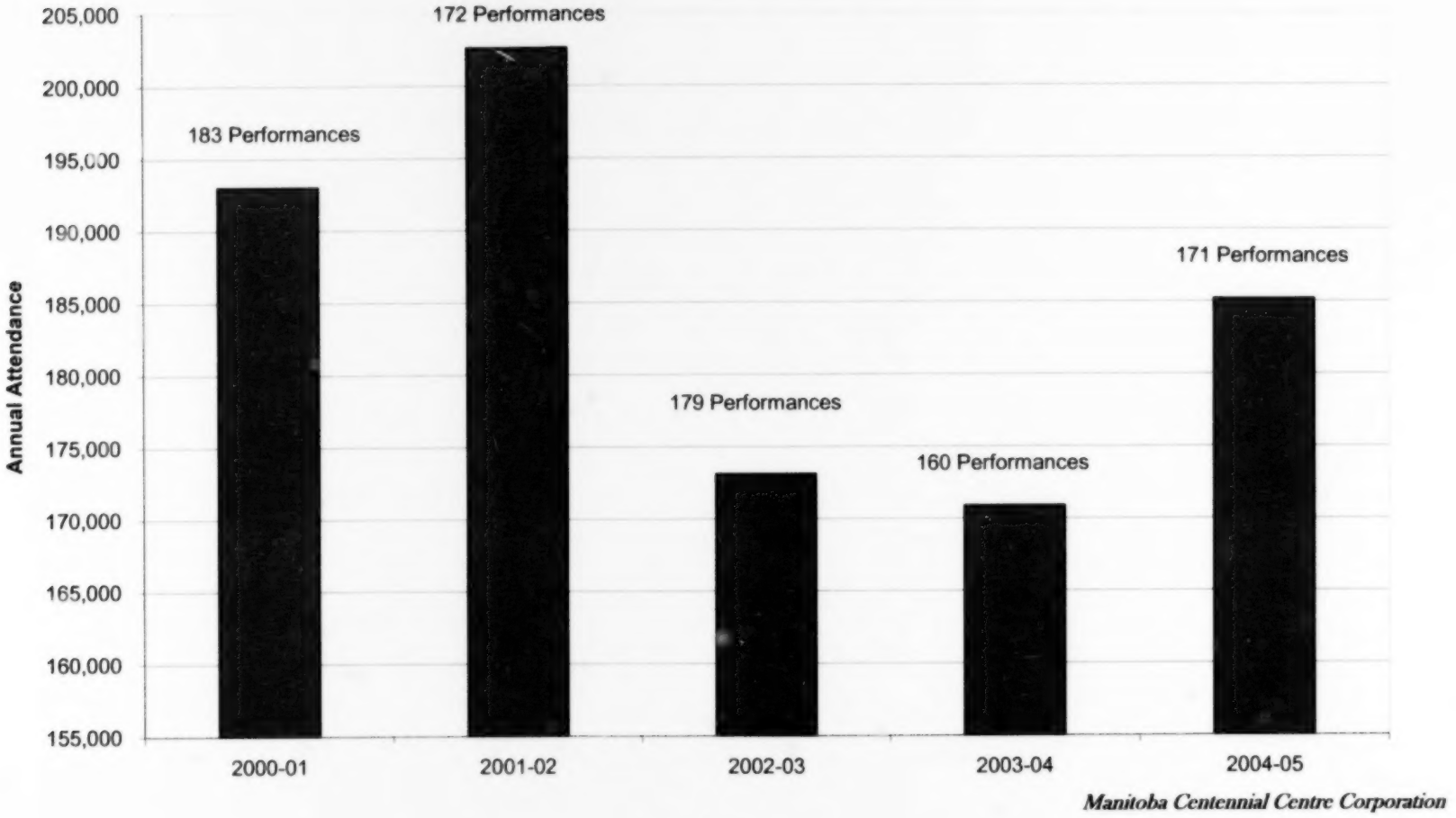
During the year, a total of $160,761 was expended on capital projects which were totally financed from capital grants from the Province of Manitoba. A summary outlining the capital program is included in the attached financial statements.

The Manitoba Centennial Foundation of the Future Fund

The Foundation was established in 1969 to provide for children born in Manitoba's Centennial year (1970) on six specific dates to meet in the year 2000 to propose a specific project which would be unique to Manitoba and would honour the Province's culture and arts. The result of the committee was to provide bursaries to Manitoba schools to promote education in the Arts for youth. MCCC is pleased to report that Riverton Collegiate Institute has been selected to receive the "Maitland B. Steinkopf Foundation for the Future Award" in the 2004-05 season.

The fund currently has a balance of $52,407 as of March 31, 2005.

Manitoba Centennial Centre Corportion
Annual Attendance & Performance Comparison
For Five Years Ended March 31, 2005



Manitoba Centennial Centre Corporation

MANITOBA CENTENNIAL CENTRE CORPORATION

Summary of Staff
For the Year ended March 31, 2005
(Compared to the Previous Four Years)

	2000/01 Total	2001/02 Total	2002/03 Total	2003/04 Total	2004/05 Full-time	2004/05 Part-time	2004/05 Total
Operating Staff (Equivalent Full-time)							
Administration	7.5	6.0	6.0	6.0	5.0	0.0	5.0
Front of House	2.0	2.0	2.0	2.0	2.0	0.0	2.0
Stage Operations	3.7	3.7	3.7	3.7	3.0	0.7	3.7
Building Services	21.2	18.6	16.3	17.7	12.6	4.1	16.7
Plant Maintenance	11.0	10.0	11.0	11.0	11.0	0.0	11.0
Security & Parking	18.1	16.1	16.0	16.2	12.4	3.8	16.2
Totals	63.5	56.4	55.0	56.6	46.0	8.6	54.6
Concert Hall Front of House (Part-time Staff Numbers)							
Hosts	35.0	35.0	35.0	35.0		35.0	

Management Report

The accompanying financial statements of the Manitoba Centennial Centre Corporation are the responsibility of management and have been prepared in accordance with Canadian generally accepted accounting principles. These principles have been applied on a basis consistent with that of the preceding year. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgment regarding all necessary estimates and all other data available up to May 6, 2005.

Management maintains internal controls to provide reasonable assurance of the reliability and accuracy of the financial information and that the assets of the Manitoba Centennial Centre Corporation are properly safeguarded.

The responsibility of the Office of the Auditor General is to express an independent, professional opinion on whether the financial statements of the Manitoba Centennial Centre Corporation are fairly presented in accordance with Canadian generally accepted accounting principles. The Auditors' Report outlines the scope of the audit examination and provides the audit opinion.

On behalf of Management,

Bob Sochasky, CMA, FCMA
Executive Director

Laura Proulx, CMA
Director of Finance & Administration

Office of the Auditor General

500 - 330 Portage Avenue
Winnipeg, Manitoba
CANADA R3C 0C4

AUDITORS' REPORT

To the Legislative Assembly of Manitoba
To the Board of Directors of The Manitoba Centennial Centre Corporation

We have audited the statement of financial position of The Manitoba Centennial Centre Corporation as at March 31, 2005 and the statement of operations and surplus - general fund, the statement of cash flows – general fund and the statement of capital projects for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Office of the Auditor General

Office of the Auditor General

Winnipeg, Manitoba
May 6, 2005

Manitoba Centennial Centre Corporation
Statement of Financial Position

March 31	2005	2004
General Fund		
Assets		
Current		
Cash and bank	$ 139,966	$ 299,899
Term deposits - Province of Manitoba	1,385,656	206,694
Accounts receivable	120,871	131,018
Capital grants recoverable - Province of Manitoba (Note 8)	-	105,318
Inventory	31,998	26,510
Prepaid expenses	56,410	53,975
	1,734,901	823,414
Accounts receivable - pension - Province of Manitoba (Note 6)	4,888,000	4,658,000
Accounts receivable - vacation - Province of Manitoba (Note 5)	199,964	199,964
Accounts receivable - severance - Province of Manitoba (Note 4)	307,561	307,561
	5,395,525	5,165,525
	7,130,426	5,988,939
Restricted Funds (Note 7)		
Assets		
Current		
The Maitland Steinkopf Youth Fund Term deposit - Province of Manitoba	65,567	66,475
The Manitoba Centennial Foundation of the Future Fund Term deposit - Province of Manitoba	52,407	53,794
	117,974	120,269
	$ 7,248,400	$ 6,109,208

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Statement of Financial Position (continued)

March 31

	2005	2004
General Fund		
Liabilities		
Current		
Accounts payable and accrued liabilities	**$ 434,178**	$ 488,790
Accrued vacation liability (Note 5)	**195,583**	182,304
Capital advances (Note 8)	**780,445**	16,244
Deferred income and rental deposits	**16,880**	25,875
	1,427,086	713,213
Pension liability (Note 6)	**4,888,000**	4,658,000
Accrued severance pay (Note 4)	**398,321**	367,054
Provision for deductible costs on insurance claims (Note 9)	**15,000**	15,000
	5,301,321	5,040,054
	6,728,407	5,753,267
Surplus	**402,019**	235,672
	7,130,426	5,988,939
Restricted Funds (Note 7)		
Funds retained		
The Maitland Steinkopf Youth Fund	**65,567**	66,475
The Manitoba Centennial Foundation of the Future Fund	**52,407**	53,794
	117,974	120,269
	$ 7,248,400	$ 6,109,208

Approved on behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Statement of Operations and Surplus - General Fund

Year Ended March 31	2005	2004
Revenues		
Rentals		
Concert Hall	$ 502,188	$ 458,249
Sustaining fees	145,456	154,792
Office space	41,156	39,117
Bar and concession sales	232,094	206,412
Administration fees	-	16,000
Parking fees	588,079	579,367
Checkroom fees	8,929	11,138
Program income	11,733	9,867
Investment income	22,234	10,744
Miscellaneous	27,179	18,959
	1,579,048	1,504,645
Province of Manitoba grants		
Operating	2,723,700	2,691,500
Pension (Note 6)	228,964	210,000
	2,952,664	2,901,500
Recoveries of expenses	185,426	177,181
Total revenues, grant and recoveries	4,717,138	4,583,326
Expenses		
Administration and general	426,663	432,416
Bar and concession operations	119,510	123,804
Building services and maintenance	1,239,600	1,123,115
Host services and special projects	205,116	206,877
Parking services	200,818	197,200
Pension (Note 6)	390,059	361,860
Security services	405,321	371,097
Stage operations	291,875	271,913
	3,278,962	3,088,282
Expenses incurred on behalf of the Manitoba Museum (Note 10)	1,445,829	1,369,926
Total expenses – per schedule	4,724,791	4,458,208
(Deficiency) excess of revenues over expenses prior to bad debt recovery	(7,653)	125,118
Bad debt recovery	174,000	-
Excess of revenues over expenses	166,347	125,118
Surplus, beginning of year	235,672	110,554
Surplus, end of year	$ 402,019	$ 235,672

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Statement of Cash Flows - General Fund

Year Ended March 31

	2005	2004
Increase (decrease) in cash		
Operating		
Excess of revenues over expenses	**$ 166,347**	$ 125,118
Changes in non-cash working capital items		
Accounts receivable	**10,147**	(13,239)
Inventory	**(5,488)**	(1,282)
Prepaid expenses	**(2,435)**	(26,692)
Accounts payable and accrued liabilities	**(10,432)**	76,495
Deferred income and rental deposits	**(8,995)**	16,758
Accrued vacation liability	**13,279**	(640)
Accrued severance pay	**31,267**	28,816
	193,690	205,334
Financing		
Capital grants - Province of Manitoba	**1,030,281**	192,851
Capital expenditures	**(204,942)**	(343,848)
	825,339	(150,997)
Net increase in cash and cash equivalents	**1,019,029**	54,337
Cash, beginning of year	**506,593**	452,256
Cash, end of year	**$ 1,525,622**	$ 506,593
Represented by:		
Cash and bank	**$ 139,966**	$ 299,899
Term deposits - Province of Manitoba	**1,385,656**	206,694
	$ 1,525,622	$ 506,593

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Statement of Capital Projects

Year Ended March 31	2005	2004
Capital Expenditures		
Building envelope – Manitoba Museum	$ -	$ 16,400
Concert Hall refurbishment	-	24,179
Courtyard stairs and fountain	-	4,599
Electrical/mechanical maintenance	-	9,892
Elevator	5,697	594
Equipment and furnishings	-	17,102
Exterior lighting	12,757	4,410
Hardware/keys/doors	-	5,989
H.V.A.C. upgrade	-	18,186
Parking equipment	72,789	45,860
Parking lots	-	45,866
Power factor correction equipment	68,018	3,959
Roof	-	40,335
Sprinkler systems plaque	-	3,293
Stage lighting	-	6,398
Stage sound	1,500	7,665
Tenant improvements	-	19,439
Website development	-	7,003
Workplace health and safety management	-	17,000
	160,761	298,169
Capital Grants - Province of Manitoba		
Received during the year	(924,962)	(192,851)
Advances for next year	780,445	-
Advances from previous years	(16,244)	-
Recoverable	$ -	$ 105,318

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Schedule of Expenses

Year Ended March 31	2005	2004
Administration and general		
Salaries and employee benefits	$ 356,936	$ 370,120
Insurance	79,396	88,060
Telephone and fax	17,481	16,810
Audit and legal	20,363	15,156
Other	94,393	52,226
Payroll service	5,074	8,894
Bad debts	18	24,872
	573,661	576,138
Bar and concession operations		
Salaries and employee benefits	43,797	45,488
Cost of goods sold	72,657	71,073
Other	3,056	7,245
	119,510	123,806
Building services and maintenance		
Salaries and employee benefits	1,104,274	1,068,304
Light, power and water	467,448	462,118
Heat	374,518	383,602
Repairs, maintenance and supplies	459,326	298,027
Other	3,712	3,233
	2,409,278	2,215,284
Host services and special projects		
Salaries and employee benefits	188,803	186,209
Other	16,313	20,668
	205,116	206,877
Parking services		
Salaries and employee benefits	119,074	112,893
Agency fees and expenses	75,043	80,000
Other	6,701	4,306
	200,818	197,199
Pension (Note 6)	468,437	443,085
Security services		
Salaries and employee benefits	442,154	416,232
Other	13,942	7,674
	456,096	423,906
Stage operations		
Salaries and employee benefits	251,711	247,554
Repairs, supplies and equipment	40,164	24,359
	291,875	271,913
Total expenses	4,724,791	4,458,208
Less: Expenses incurred on behalf of the Manitoba Museum (Note 10)	1,445,829	1,369,926
Net expenses	$ 3,278,962	$ 3,088,282

See accompanying notes to the financial statements.

Manitoba Centennial Centre Corporation
Notes to the Financial Statements
March 31, 2005

1. Nature of the Corporation's operations

The Manitoba Centennial Centre Corporation was established in 1968 for the development and management of the permanent arts centre in the City of Winnipeg as the principal memorial in the Province to the centennial anniversaries of the Confederation of Canada and the inclusion of Manitoba as a Province. Its aim and objectives are to maintain and enhance the properties and facilities available to organizations and individuals involved in various elements of the visual and performing arts. The Corporation is exempt from income taxes under Section 149(1) of the Income Tax Act.

2. Properties of the Corporation

The Corporation oversees the properties of the Centre on behalf of the Province of Manitoba. At March 31, 2005 registered titles to these properties, being the Concert Hall, parkade, parking lots and other buildings, are held by the Province of Manitoba. These properties are made available at no direct charge to the Corporation.

3. Summary of significant accounting policies

Fund accounting

The Corporation's financial statements have been prepared on a fund basis, using Canadian generally accepted accounting principles. The general fund is used to account for the operations of the Centre. The restricted funds, which are the Maitland Steinkopf Youth Fund and the Manitoba Centennial Foundation of the Future Fund, are described in note 7.

Pension costs

Pension payments are recognized as operating expenses as payments are made under provisions of The Manitoba Civil Service Superannuation Act. The provisions of this Act require the Corporation to contribute 50% of the pension payments being made to retired employees. In addition, a provision has been recorded in the accounts of the Corporation for current and past service pension obligations.

Term deposits

Term deposits are recorded at cost plus accrued interest.

Inventory

Inventory is valued at the lower of cost, using the first in first out method, and net realizable value.

3. Summary of significant accounting policies (continued)

Use of estimates

In preparing the Corporation's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from these estimates.

Cash and bank

Cash and bank include cash on hand, balances with banks and net of bank overdrafts.

Revenue recognition

Revenue is recognized when services are rendered and when collectibility is reasonably assured.

4. Severance pay benefits

Effective April 1, 1998, the Corporation commenced recording the estimated liability for accumulated severance pay benefits for its employees. The amount of this estimated liability is determined using the method of calculation set by the Province of Manitoba.

Severance pay, at the employee's date of retirement, will be determined by multiplying the eligible employee's years of service (to a maximum of 23 years) by the employee's weekly salary at the date of retirement. Eligibility will require that the employee has achieved a minimum of nine years of service and that the employee is retiring from the Corporation.

The Province of Manitoba has accepted responsibility for the severance pay benefits accumulated to March 31, 1998 by the Corporation's employees. Accordingly, the Corporation recorded, effective April 1, 1998, a receivable of $307,561 from the Province of Manitoba, which is an amount that is equal to the estimated liability for accumulated severance pay benefits at March 31, 1998. This receivable from the Province of Manitoba has no terms of repayment.

5. Vacation pay liability

In years prior to 2001, the Corporation recorded the estimated liability and the related expense for accumulated vacation pay benefits to its employees. In 2001, the Corporation was advised by the Province of Manitoba that the Province has accepted responsibility for the vacation pay liability accumulated to March 31, 1995 which amounts to $199,964. Accordingly, the Corporation recorded, in 2001, a receivable of $199,964 from the Province of Manitoba with retroactive restatement of prior periods. This receivable from the Province of Manitoba has no terms of repayment.

6. Pension liability

The Corporation records the actuarial pension liability and the related pension expense in their financial statements. Based on an actuarial report dated December 31, 2001, the unfunded liability for the Corporation's employees, calculated on an indexed basis, amounted to $4,888,000 as at March 31, 2005 (2004 - $4,658,000). For the year ended March 31, 2005, the Corporation recorded a pension liability of $4,888,000 (2004 - $4,658,000) and the related pension expense of $468,437 (2004 - $443,085).

Since the Province of Manitoba is responsible for the pension liability and the related expense, the Corporation has recorded an amount receivable from Province of Manitoba of $4,888,000 (2004 - $4,658,000) and the related revenue of $228,964 (2004 - $210,000). This receivable from the Province of Manitoba has no terms of repayment.

Provision for the employer's share of the pension liability is calculated as follows.

	2005	2004
Balance, beginning of year	$ 4,658,000	$ 4,448,000
Increase in trust account held by the Civil Service Superannuation Fund	(15,934)	(13,806)
Benefits accrued	141,585	130,236
Interest accrued (7.25%)	342,785	326,654
Benefits paid	(238,436)	(233,084)
Balance, end of year	$ 4,888,000	$ 4,658,000

7. Restricted funds

Restricted funds established and managed by the Corporation are as follows:

(a) The Maitland Steinkopf Youth Fund

In 1972, the Corporation established the Maitland Steinkopf Youth Fund with an original allocation of $25,000. The major purpose of this fund is to promote cultural opportunities for Manitoba youths at reasonable costs.

Summary of transactions:	2005	2004
Fund balance, beginning of year	$ 66,475	$ 65,200
Investment income	1,392	1,775
Grant expense	(2,300)	(500)
Fund balance, end of year	$ 65,567	$ 66,475

7. Restricted funds (continued)

(b) The Manitoba Centennial Foundation of the Future Fund

In 1969, the Corporation established the Foundation of the Future Fund in recognition of Manitoba's centennial year. The terms of the Foundation's establishment provide that the Board of Directors of the Foundation will be composed of children born on six special dates in the year 1970. Based on the number of children born on these dates, the Corporation allocated $3,050 to the Fund.

Summary of transactions:	2005	2004
Fund balance, beginning of year	**$ 53,794**	$ 54,795
Investment income	**1,113**	1,499
Grant expense	**(2,500)**	(2,500)
Fund balance, end of year	**$ 52,407**	$ 53,794

The Board of Directors of the Foundation have decided funds will be used toward an annual bursary program for those pursuing careers in the Arts. In addition, a plaque will be located in the Concert Hall recognizing the Centennial Babies and the recipients of the bursary awards.

8. Capital advances and commitments

The Corporation had contractual commitments at the end of 2005 for $241,347 (2004 - $Nil) to complete capital improvements.

Capital funds in the amount of $780,445 (2004 - $16,244) were drawn in advance on projects awarded, but not completed by March 31, 2005.

9. Provision for deductible costs on insurance claims

The insurance program of the Corporation contains a deductible clause requiring the Corporation to pay the first $5,000 on any claim with a maximum of $15,000 in any one year. The Corporation has set aside a provision of $15,000 and, as long as the conditions of the insurance coverage are unchanged, it will be maintained at this level.

10. Grant of service

The Manitoba Centennial Centre Corporation incurs expenses such as cleaning, utilities and maintenance on behalf of the Manitoba Museum. These expenses amount to $1,445,829 for the year ending March 31, 2005 (2004 - $1,369,926).

11. Financial instruments

The Corporation's financial instruments consist of cash, term deposits, accounts receivable and accounts payable. It is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

12. Economic dependence

The Corporation is economically dependent on funding received from the Province of Manitoba.

13. Comparative figures

Certain of the 2004 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2005.

14. Acquisition of the Prairie Production Centre

On March 31, 2005 the Province of Manitoba purchased the land and building of the Prairie Production Centre for a total cost of $1,793,719.The Department of Culture, Heritage and Tourism will be developing a management agreement and a business plan for the operation of the facility by the Manitoba Centennial Centre Corporation.